''dual-eligible'' beneficiaries, those who qualify for both Medicare and Medicaid; and those in assisted living facilities who take large numbers of prepackaged medication. Much of the responsibility of ensuring the drug benefit's implementation has been assumed by the pharmacist. To the extent that it is working at all, we have them to thank. In many ways for many of the pharmacists I spoke with, much of the damage has already been done.

On the horizon, however, are significant cuts to the Medicaid program that will be achieved primarily by changing the way we reimburse pharmacies for prescription drugs. That is right. The choices we made during the budget reconciliation process once again targeted our Nation's pharmacists, without asking for corresponding sacrifices from the insurance companies or the pharmaceutical manufacturers, which is outrageous.

□ 1230

It is truly shameful. And the implications will be significant. After absorbing significant losses during the rollout of the Medicare drug program, pharmacists will soon be hit by changes to the Medicaid program, and many simply will not survive. This one-two punch is not only bad policy, it is inexcusable.

Health and Human Services Secretary Mike Leavitt even praised pharmacists last week for their ''heroic'' efforts in shouldering the burden for implementing Medicare Part D. Their reward for their selfless and heroic behavior? Drastic pharmacy reimbursement cuts in the Medicaid program that will have a devastating impact on our communities, disproportionately impacting the poorest and sickest Americans and that will no doubt put hundreds if not thousands of small businesses out of business.

I encourage my colleagues to talk to their pharmacists, learn more about this situation, and work with me in a bipartisan manner to ensure that we are not sacrificing the health of our Nation and the good-will of our community pharmacists by taking the path of least resistance and caving to large and powerful interests.

## JOB STATISTICS NOT ACCURATELY TRACKING JOB GROWTH

The SPEAKER pro tempore (Mr. BOOZMAN). Under a previous order of the House, the gentleman from California (Mr. DREIER) is recognized for 5 minutes.

Mr. DREIER. Mr. Speaker, last night I stood here in the well to talk about our out-of-date job surveys that we have, the payroll versus the household surveys. I discussed the changing nature of job creation in the 21st century economy.

We have evolved into a technologically advanced, upwardly mobile, highly flexible workforce. The types of jobs, the way jobs are created and our methods for finding new work have all changed dramatically in the 6½ decades since our job surveys were developed; and yet, Mr. Speaker, our surveys remain fundamentally unchanged over that period of time. The result has been job statistics that are increasingly incapable of accurately tracking job growth in a dynamic economy.

This afternoon I would like to talk about another economic indicator that is unable to fully portray the true state of our modern economy, that being the gross domestic product.

Growth in GDP is our broadest measure of economic strength; and, as such, it is perhaps the most commonly cited and heavily relied upon statistic. And yet, like our job surveys, our methods for calculating GDP were developed in the industrial age and have remained unchanged while our economy has been transformed dramatically, as we all know.

The need for assessing and tracking GDP was borne out of the Great Depression. As our Nation faced the worst economic crisis in its history, policymakers found that they lacked the tools to assess whether our economy was getting better or getting worse, so the Department of Commerce began the first accounting of national income and output. In an industrial economy, this meant tallying such tangibles as machines, tractors and buildings.

Purchasing new factory equipment or building a new facility was counted as long-term investment, while spending on research or training was not. For example, AT&T's investment in Bell Labs where the transistor radio was invented didn't show up at all in the GDP numbers. Even at the time, the economists who developed the methodology recognized the limitations. But an economy based on heavy industrial manufacturing could be adequately analyzed, by and large, on the basis of tangible, easily identified and easily quantified investments.

However, as we all know, Mr. Speaker, today's economy is drastically different from the economy that we faced following the Great Depression. Our knowledge-based economy is based on ideas rather than things. Investing in research and development, developing brand equity and exporting best practices are driving successful businesses in our innovation economy. Yet they are absent from our most important measure of economic vitality, and by missing these intangible but fundamentally important factors, our GDP numbers are misleading.

For example, Mr. Speaker, since 2000, the 10 largest U.S. companies that report research and development spending have increased capital spending by only 2 percent. That means that the types of investments that are captured in the GDP calculation, new buildings and more equipment, have been meager over the last half decade. Based on this number, we would be led to believe that some of the country's greatest engines of growth are stagnating and failing to make long-term investments.

But, Mr. Speaker, these same 10 companies have actually increased R&D, research and development spending, by a whooping 42 percent over that period of time. They are investing rigorously in tomorrow's innovations, better products, better services, better ways of doing things. Our economy's creative thinkers are propelling our economy forward and ensuring growth in the future. Yet our old economy calculations miss this good economic news entirely.

To give another example, look at how the value of Apple's iPod is incorporated into GDP. While superior design, quality and marketing, all developed in my State of California, have led to a global powerhouse brand, the actual product, the iPod, is assembled in China. So when the Commerce Department's Bureau of Economic Analysis calculates our GDP, it does not count the $800 million, nearly a billion dollars, that Apple spent in research and development and brand development last year. It merely counts the number of units shipped here from China and sold in the United States. As Business Week put it in an article 2 weeks ago, this sort of accounting reduces Apple, one of the world's greatest innovators, to nothing but a reseller of imported goods.

Mr. Speaker, there is no doubt that quantifying intangibles like technical innovation and marketing savvy presents some formidable challenges; and adopting hasty changes that make our GDP numbers too confusing or complicated would obviously be no improvement to the status quo. It is essential that we begin to look at ways to make our economic statistics more meaningful by bringing them into the 21st century. We need to do that by looking at these major modifications.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

## KEEPING MERCURY OUT OF VACCINATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, over the past couple of weeks in the newspapers and on television and on the radios across this country people have been warned not to eat too much tuna and other seafood because of the mercury content in the fish. They said that women who are pregnant and women and men who are eating a lot of these seafood products could have neurological problems created because they are eating so much seafood with mercury in them.

I think that it is good that they are telling the American people that. But